<u>REMARKS</u>

The Applicant thanks the Examiner for the courtesies extended in holding a telephone interview on April 11, 2005. While an agreement was not met during the interview, Applicant believes that this response clearly sets forth why the Applicant believes that the *Hamstra* reference can be distinguished over the pending claims and respectfully requests the Examiner to reconsider the allowance of claims 1-5.

Claims 1 through 5 are pending in the Office Action. The Office Action rejected claims 1-3 and 5 as being anticipated and claim 4 as being obvious over the prior art. Applicant has amended claim 1 to further clarify the invention as recited therein. Applicant respectfully submits that the amendment to claim 1 is based on page 5 of the specification as originally filed, that such amendments do not add new matter, and requests entry thereof. Applicant respectfully requests reconsideration of claims 1 through 5 in view of the following remarks.

Please note that Applicant's remarks are presented in the order in which the issues were raised in the Office Action for the convenience and reference of the Examiner. In addition, Applicant requests that the Examiner carefully review each of the references discussed below to ensure that Applicant's understanding and discussion of the references is consistent with the Examiner. Further, the following remarks are not intended to be an exhaustive enumeration of the distinctions between any particular reference and the claimed design. Rather, the distinctions identified and discussed below are presented solely by way of example to illustrate some of the differences between the claimed design and that reference.

A. Section 102 Rejection

Paragraphs 2 and 3 of the Office Action rejected claims 1-3 and 5 under 35 U.S.C. 102(b) as being anticipated by U.S. Patent No. 5,894,923 to Hamstra et al. (hereinafter *Hamstra*).

Hamstra discloses a package or set of labels consisting of any desired number of panels of labels. Each panel consists of a label stock which may be configured into one or more labels which can be peeled away from the panel. Each panel also includes backing paper onto which is adhered the label stock. The backing paper has a plurality of folding means (e.g., perforations) to allow the label to be folded (e.g., accordioned) in a compact package. The package includes means for supporting the package from a support structure. For example, a hole may be formed in each panel which holes align when the package is compressed so that the package can be suspended from a prong on a peg board. The package also includes securement means (e.g., a staple) that holds the panels together as a group. After the panels are formed and folded along the folding means, the panel is stapled and packed in a shipping container. Upon reaching a retail outlet, the packages are threaded onto a prong or other supporting structure.

As such, the *Hamstra* reference is directed toward a "compact, structurally self-supporting structure." *Hamstra*, col. 4, ll. 24-26.

[The] label sheets being . . . securable to one another by any common securement means, such as a staple, said set not requiring any space beyond the dimensions of the set of label sheets. Further, no additional packaging components are required since the inherent rigidity of the set of label sheets provides all the structural integrity needed to handle, ship, assemble and display the set of label sheets as a package right up to the moment of purchase in a retail outlet.

Hamstra, col. 2, 1l. 46-54 (emphasis added). The Hamstra reference thus teaches a packet of labels which is easily hung from a display and then easily removed therefrom.

The Office Action asserts that the package 10 is adapted to be connected to the device via holes 42-45 threaded onto prong 40. Applicant acknowledges that prong 40 supports package 10 in this manner. However, package 10 taught in *Hamstra* simply <u>rests</u> on prong 40. There is no additional structure connecting the package 10 to prong 40. This must be so in order for purchasers to easily remove the package 10 from prong 40. Thus, *Hamstra* does not teach "at

least a portion of the label being connected to the device using at least one of adhesive, a staple

or a clip." As used herein, the term "clip" refers to any structure configured to apply force

against the label so as to retain the label connected to a device.

In fact, Hamstra teaches away from having any part of the package 10 connected to the

prong 40 "using at least one of adhesive, a staple or a clip." Were the package 10 to be modified

to be connected to prong 40 via adhesive or a staple or a clip, it would make it extremely difficult

or impossible for consumers to buy the package 10, thus destroying the intended function of

package 10, which is to provide a "compact, structurally self-supporting structure," Hamstra,

col. 4, ll. 24-26, wherein "no additional packaging components are required since the inherent

rigidity of the set of label sheets provides all the structural integrity needed to handle, ship,

assemble and display the set of label sheets as a package right up to the moment of purchase in a

retail outlet." Hamstra, col. 2, 11. 46-54 (emphasis added). Therefore, Applicant respectfully

requests that the anticipation rejection with respect to claim 1 be withdrawn.

Claims 2-3 and 5 depend from independent claim 1 and thus incorporate the limitations

thereof. As such, Applicant respectfully requests that the anticipation rejection with respect to

claims 2-3 and 5 be withdrawn.

B. Section 103 Rejection

Paragraphs 4 and 5 rejected claim 4 as obvious under 35 U.S.C. 103(a) in view of

Hamstra. The Office Action asserted that an intermediate portion comprising an S-shaped

portion would have been an obvious matter of design choice. However, Applicant respectfully

asserts that even if the label package taught by Hamstra were modified to have an S-shaped

intermediate portion, Hamstra still does not teach "at least a portion of the label being connected

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to the device using at least one of adhesive, a staple or a clip." As such, Applicant respectfully

requests that the obviousness rejection with respect to claim 4 be withdrawn.

C. Conclusion

In view of the foregoing, Applicant respectfully submits that claims 1-5 are in condition

for allowance and favorable action is respectfully requested. In the event of any question, the

Examiner is respectfully requested to initiate a telephone conversation with the undersigned.

Dated this 13th day of April 2005.

Respectfully submitted.

Joues

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